



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

MAR 13 2007

The Honorable Linda Lingle
Governor of Hawaii
Executive Chambers
State Capitol
Honolulu, HI 96813

Dear Governor Lingle:

It was a pleasure meeting with you while you were in Washington for the National Governor's Association meeting. I also wanted to thank you again for the chocolates and the Kona coffee. I wanted to briefly follow up on the topics we discussed, as well as some others that we might have discussed, had schedules permitted.

Let me first thank you for making time to discuss transportation – a subject obviously very important to us. As I indicated to you, I believe we are on the cusp of great changes in how we finance and operate transportation infrastructure in this country. It is gratifying to compare notes with State leaders who have similar thoughts and share both our concerns and our optimism for the future.

In May 2006, the U.S. Department of Transportation (DOT) announced a major initiative intended to help reduce the growing impact of surface transportation system congestion across the country. As part of the initiative, I believe there are several excellent opportunities available to Hawaii.

First, we have made \$130 million in Federal funding and support available for major congestion relief demonstration projects in congested metropolitan areas under our Urban Partnership program. There are increasingly viable strategies that can actually reduce congestion in U.S. cities, not simply slow the growth. Those strategies include variable highway pricing, expanded commuter transit opportunities, operational technology deployment and participation from major employers willing to establish more flexible work schedules.

In addition to this pilot opportunity, DOT continues to be strong proponents of expanded utilization of public-private partnerships to accomplish congestion relief objectives. There is little question that growing private sector financial resources and operational expertise can significantly help improve Hawaii's transportation system. Public-private partnerships are one of the most exciting and important transportation policy trends in the United States. Our agency has acquired a large amount of expertise in this area in the last five years, and we would be happy to help you evaluate the policy and financial implications of an expanded private sector role.

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For your information I have enclosed a brochure outlining the basics of our various congestion relief strategies. The President's Fiscal Year 2008 budget contains an additional \$175 million to support these and other congestion-related activities, and we hope to announce additional funding availability under various discretionary programs very soon. I greatly encourage Hawaii to fully explore these opportunities.

I appreciated the opportunity to learn more about the Honolulu High Capacity Transit Corridor Project. Based on Federal Transit Administration (FTA) discussions with the City and County of Honolulu, it is my understanding that the application is expected to request \$900 million of \$3.5 billion dollar project (in constant dollars) or approximately 25 percent. While this proposed federal share is lower than the average share of 42 percent that New Starts funds have provided since 1999, the request for almost \$1 billion is significant as the New Starts program is substantially oversubscribed. You had expressed interest in receiving information on the average time it takes for a project to move through the New Starts process. According to FTA, it has taken, on average, just over 4 years for a project to go from approval into preliminary engineering to award of a Full Funding Grant Agreement (FFGA). This average is based on projects that have received an FFGA since 1991. The first phase of the lengthy New Starts process begins with local officials choosing their locally preferred alternative for the project. Since local officials have not yet made this designation, it is highly unlikely that this project would be ready to break ground by 2009 much less be operational.

You also requested information on the average cost of alternative fixed guideway investments. The FTA reports that the capital cost per mile of Bus Rapid Transit (BRT) begins at \$500,000 for BRT traveling in mixed traffic and can cost as much as \$50 million or more per mile for grade-separated BRT. Heavy rail projects, with which the Honolulu project is most similar, run on average about \$125 million - \$150 million per mile nationally. According to the Means Index, the cost of transportation construction in Honolulu can be as much as 23.2 percent more than the national average. Because rail transit projects are diverse and each uses various combinations of rail transit elements, please note that the average cost and schedule information would be difficult to apply to a specific proposed project. Some examples of the factors affecting a project's development timeline and budget are whether a project is to be constructed at ground level or will require an elevated structure or a tunnel; whether right-of-way has to be purchased; and the number of vehicles to be purchased.

With regard to our discussion on addressing pedestrian fatalities, I commend the implementation of Hawaii's three pedestrian safety programs: Walk Wise Kapuna, Drive Wise Kapuna, and Walk Wise, Hawaii. These programs focus on educating Hawaii's

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older population about the dangers of being a pedestrian and how to walk safely; alerting drivers to watch out for pedestrians and reminding them of pedestrians rights; and educating all Hawaiians about pedestrian safety as well as bolstering enforcement of pedestrian safety laws. The combination of education and increased enforcement has been very successful in improving seat belt usage and reducing instances of alcohol-impaired driving. Extending this combination to pedestrian safety could yield similar positive results. For example, other States have used accident data involving pedestrians to pinpoint countermeasure strategies such as making infrastructure improvements or strengthening law enforcement as a means to improve safety performance.

I look forward to working closely with you on these and related topics, and to helping Hawaii's State and local leadership set a transportation policy standard that is a model for jurisdictions around the country. Please feel free to contact my office and colleagues if we can be of further assistance.

Sincerely yours,

A handwritten signature in cursive script, reading "Mary E. Peters".

Mary E. Peters

Enclosure